

OFFICE OF THE DIRECTOR  
DEPARTMENT OF MOTOR VEHICLES  
P.O. BOX 932328  
SACRAMENTO, CA 94232-3280



## **TITLE 13: DEPARTMENT OF MOTOR VEHICLES**

### **NOTICE IS HEREBY GIVEN**

The Department of Motor Vehicles (department) proposes to amend Sections 430.00 and 431.00 in Article 6.0, Chapter 1, Division 1, Title 13 of the California Code of Regulations, related to the fee for recording notices of delinquent parking violations and delinquent toll evasion violations.

### **PUBLIC HEARING**

A public hearing regarding this proposed regulatory action is not scheduled. However, a public hearing will be held if any interested person or his or her duly authorized representative requests a public hearing to be held relevant to the proposed action by submitting a written request to the contact person identified in this notice no later than 5:00 p.m., fifteen (15) days prior to the close of the written comment period.

### **DEADLINE FOR WRITTEN COMMENTS**

Any interested party or his or her duly authorized representative may submit written comments relevant to the proposed regulations to the contact person identified in this notice. All written comments must be received at the department no later than 5:00 p.m., **June 26, 2017**, the final day of the written comment period, in order for them to be considered by the department before it adopts the proposed regulation.

### **AUTHORITY AND REFERENCE**

The department proposes to adopt these regulations under the authority granted by Vehicle Code section 1651, in order to implement, interpret, or make specific Vehicle Code sections 4763 and 4773.

### **INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW**

In September 1993, the department adopted Section 430.00 to establish the \$3.00 assessed on processing agencies for each notice of delinquent parking violation filed with the department. In May 1999, the department adopted Section 431.00 to establish the \$3.00 fee assessed on processing agencies for each notice of delinquent toll evasion violation filed with the department.

Assembly Bill 516 (Chapter 90; Statutes of 2016) amended Vehicle Code section 4763 and 4773 to require the department to develop an operational system that allows a dealer or lessor/retailer to electronically report the sale of a vehicle and provide a temporary license plate. AB 516 also authorizes the department to assess an administrative fee on parking and toll evasion processing agencies to support the administration of the report of sale system. Both fees have remained unchanged since their adoption, however, with the implementation of the report of sale system, the department has determined it necessary to increase the delinquent parking violation fee and the delinquent toll evasion violation fee to ensure the report of sale system is adequately funded.

The department anticipates this fee increase will be temporary, lasting until the report of sale system is completely operational and fully funded, at which time regulations will be amended to return each fee to \$3.00 per notice.

### **Problems this Department Intends to Address and Benefits Anticipated From the Regulatory Action**

Currently, new vehicles are allowed to drive on the state's roadways without license plates. Not only is this unsafe, the lack of being able to identify the vehicle, such as with electronic toll collection systems, causes local agencies to lose toll violation and parking violation revenue, as drivers can use the toll lanes without paying a fee because there's no way to trace the vehicle to the vehicle owner. Without increasing the fee for the recording of notices, the department will not be able to adequately fund the creation of the report of sale system, as required by the provisions of AB 516.

The fee increase proposed in this regulatory action will fund a report of sale program that allows vehicle dealers to issue temporary license plates to new vehicles. The temporary license plate will allow law enforcement to identify these vehicles.

### **CONSISTENCY AND COMPATIBILITY WITH STATE REGULATIONS**

The department conducted a review of other regulations and has determined that there are no other regulations related to the fee for recording notices of delinquent parking violations and delinquent toll evasion violations. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

### **COMPARABLE FEDERAL STATUTES OR REGULATIONS**

There are no existing federal statutes or regulations that govern the administrative fee charged by the department to record notices of delinquent violations.

### **DOCUMENTS INCORPORATED BY REFERENCE**

There are no documents incorporated by reference.

### **ECONOMIC AND FISCAL IMPACT DETERMINATIONS**

The department has made the following initial determinations concerning the proposed regulatory action:

- *Cost or Savings to Any State Agency:* None.
- *Other Non-Discretionary Cost or Savings to Local Agencies:* None.
- *Costs or Savings in Federal Funding to the State:* None.
- *Effects on Housing Costs:* None.
- *Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code section 17500 et seq.:* None.

- *Impacts Directly Affecting Businesses:* The proposal will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.
- *Cost Impact on Representative Private Persons or Businesses:* The department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- *Small Business Impact:* This regulation may affect small business.
- *Local Agency/School District Mandate:* The proposed regulatory action will not impose a mandate on local agencies or school districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

## **RESULTS OF THE ECONOMIC IMPACT STATEMENT**

The department has made the following determinations when assessing the economic impact associated with this proposed regulation:

This proposed action will not, 1) create or eliminate jobs in California, 2) create or eliminate existing businesses within California, or 3) expand businesses currently doing business in California. This proposed action is also unlikely to benefit the health and welfare of California residents, however, the purpose for which the fee increase is necessary will benefit residents. The fee increase is necessary to fund the temporary license plate fund. When new vehicles have temporary plates, local agencies are able to better identify unsafe drivers.

## **PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS**

A pre-notice workshop, pursuant to Government Code section 11346.45, is not required because the issues addressed in the proposal are not so complex or large in number that they cannot easily be reviewed during the comment period.

## **ALTERNATIVES CONSIDERED**

The department must determine that no reasonable alternative considered by the department or that has otherwise been identified and brought to the attention of the department would be more effective in carrying out the purpose for which the action is proposed, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

## **CONTACT PERSON**

Any inquiries or comments concerning the proposed rulemaking action may be addressed to:

Randi Calkins, Regulations Analyst  
Department of Motor Vehicles  
Legal Affairs Division  
PO Box 932382, MS C-244  
Sacramento, CA 94232-3820

Any inquiries or comments concerning the proposed rulemaking action requiring more immediate response may use:

Telephone: (916) 657-8898  
Facsimile: (916) 657-6243  
E-Mail: LADRegulations@dmv.ca.gov

In the event the contact person is unavailable, inquiries should be directed to the following back-up person:

Shelly Johnson Marker, Chief of Staff  
Department of Motor Vehicles  
Telephone: (916) 657-6469

## **AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS**

The department has prepared an Initial Statement of Reasons for the proposed regulatory action, and has available all the information upon which the proposal is based. The contact person identified in this notice shall make available to the public upon request the Express Terms of the proposed regulatory action using underline or italics to indicate additions to, and strikeout to indicate deletions from the California Code of Regulations.

The contact person identified in this notice shall also make available to the public, upon request, the Final Statement of Reasons and the location of public records, including reports, documentation and other materials related to the proposed action. In addition, the above-cited materials (the Notice of Proposed Regulatory Action, the Initial Statement of Reasons, and Express Terms) may be accessed at <http://www.dmv.ca.gov/portal/dmv/detail/about/lad/regactions>.

## **AVAILABILITY OF MODIFIED TEXT**

Following the written comment period, and the hearing if one is held, the department may adopt the proposed regulations substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the fully modified text, with changes clearly indicated, shall be made available to the public for at least 15 days prior to the date on which the department adopts the resulting regulations. Request for copies of any modified regulations should be addressed to the department contact person identified in this notice. The department will accept written comments on the modified regulations for 15 days after the date on which they are first made available to the public.